



KANSAS

DEPARTMENT OF LABOR

Division of Workers Compensation

2005 Fiscal Year
31st Annual Statistical Report



KANSAS DEPARTMENT OF LABOR

Division of Workers Compensation 31st Annual Statistical Report Fiscal Year 2005

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MESSAGE FROM THE SECRETARY OF LABOR

Since beginning my service with the Department of Labor, I have been pleased to be involved in many different projects and activities to ensure the Department of Labor fulfills its mission to enhance the economic well-being of all Kansans through responsive workforce services.

This annual report contains information on the Workers Compensation Division's operations by section for the past fiscal year, tables of data on the incidence of workplace injuries and illnesses, insurance industry premiums and losses for Kansas, fraud and abuse activity, and revenue and operating expenditures for the Kansas Workers Compensation Fund. The annual report also contains the results of a major statistical study on Kansas Workers Compensation claims that was completed in 2004.

In Fiscal Year 2005, the Division processed 17,480 applications for hearings, and 6,727 employer elections. The Business section issued 234 self-insurance permits to employers, including eight to new applicants. The Compliance section established more than 5,900 employer contacts. This year, the Fraud and Abuse unit collected \$139,750.44 in restitution and civil penalties. In addition, the Ombudsman section provided information upon request to 29,258 parties during the fiscal year. The Research section responded to over 39,000 requests for workers compensation histories.

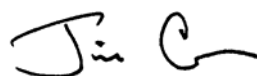
The Technology and Statistics section, along with the KDOL Information Services Division, continued to maintain and modify the Electronic Data Interchange (EDI), a system to allow electronic reporting of initial injuries and follow-up reports by insurers. EDI has been well received by Kansas employers and insurers, even exceeding our own expectations, with over 40 trading partners submitting data on behalf of over 200 insurance carriers and self-insured employers. In FY2005, about one-third of all original reports of accident were filed electronically.

The Division's Coverage and Compliance Unit, the Technology and Statistics unit, and Department of Labor's Information Services Division worked with the National Council on Compensation Insurance (NCCI) to implement three new innovations in proof of coverage reporting and information access. First, at the end of FY2005 the Division launched a new web-based coverage verification service which allows external users access to coverage information over the Department of Labor web site. Second, in April of 2005 they implemented a new digital data exchange or proof of coverage regulatory reports between the Division and insurers. Finally, the Division and Information Services worked with all internal stakeholders to create a proof of coverage data warehouse that makes digitally submitted reports available to other units. This new capability greatly increased staff productivity.

The Division hosted three successful seminars on workers compensation and industrial safety topics during Fiscal Year 2005.

I thank all of the employees of the Division of Workers Compensation for the hard work and dedication to public service that they exhibit on a daily basis. The Department of Labor remains committed to enhancing the efficient delivery of services to the people and businesses of Kansas.

Sincerely,



Jim Garner, Secretary of Labor

INTRODUCTION

The Kansas Legislature enacted the state's first law governing workers compensation, as a no-fault system, more than nine decades ago in 1911. Although many significant changes to its provisions have been made since then, the basic premise and purpose of that law have remained much the same. The premise is that those injured in industrial accidents should be compensated regardless of who is at fault. The purpose is to provide protection to the injured employee through employer safety efforts, medical treatment and partial compensation for lost income.¹

Until 1939, the responsibility for administering the workers compensation law resided with a "workmen's compensation commissioner" whose authority extended from a series of public commissions to whom the position reported, including the Public Safety Commission in the 1920s and the Commission of Labor and Industry in the 1930s. In 1939, the Kansas Legislature created, and transferred jurisdiction over workers compensation to, a stand-alone agency named the Office of the Workmen's Compensation Commissioner. In 1961, the legislature reorganized the office again, into the Office of the Director of Workers Compensation. This office subsequently became a division under the Department of Labor. Today's Division of Workers Compensation, while having grown and undergone considerable organizational changes, is essentially the same agency created in 1939.

The current workers compensation law covers all employers in Kansas, regardless of the number of employees or the kind of work they do, with two exceptions: employers engaged in agricultural pursuits and any employer who during a given calendar year has an estimated payroll less than \$20,000 for that year, unless the employer is a subcontractor. The State of Kansas pays no workers compensation benefits to injured workers unless they are state employees. Private employers pay all benefits owed to their injured workers, either directly from the employer's own resources or indirectly through another party. While most covered employers obtain insurance from private carriers or group pools, provisions in the law establish criteria for certain employers to become self-insured. Potentially eligible employers must apply for approval from the Director of Workers Compensation. Criteria include continuous operation for at least five years, a minimum level of after-tax earnings and a minimum debt/equity ratio. The Kansas Insurance Department approves the formation of group-funded self-insurance pools and determines whether a employers qualify for membership in a pool.

¹ Madison v. Key Work Clothes, 182 Kan. 186, 192, 318 P. 2d 991 (1957).

BENEFITS INFORMATION

COMPENSATION

Kansas' workers compensation law requires that an employer or its insurance carrier pay an injured employee two-thirds of the employee's gross average weekly wage, up to the amount of the applicable maximum benefits listed below. To find the appropriate maximum, look for the range of dates that contain the date of injury and then go to the right to find the maximum dollar amount of the benefit. For example, if the date of injury was August 21, 2005, the maximum weekly benefit one could receive would be \$467. The actual amount a worker receives is the lesser of two amounts: either two-thirds of one's gross average weekly wage or the maximum in effect at the date of the injury. This effective maximum does not change over the life of one's claim, even though the maximum benefit level for each new 12-month interval usually increases by a small amount.

Maximum Compensation Schedule

Date of Injury	Maximum Benefit
July 1, 1995-June 30, 1996	\$326
July 1, 1996-June 30, 1997	\$338
July 1, 1997-June 30, 1998	\$351
July 1, 1998-June 30, 1999	\$366
July 1, 1999-June 30, 2000	\$383
July 1, 2000-June 30, 2001	\$401
July 1, 2001-June 30, 2002	\$417
July 1, 2002-June 30, 2003	\$432
July 1, 2003-June 30, 2004	\$440
July 1, 2004-June 30, 2005	\$449
July 1, 2005-June 30, 2006	\$467
Current Weekly Minimum:	\$25

MEDICAL

A person injured on the job is entitled to all medical treatment that may be needed to cure or relieve the effects of the injury. Under the law, the employer has the right to choose the treating physician. If the worker seeks treatment from a doctor not authorized or agreed upon by the employer, the insurance company is only liable up to \$500 toward such medical bills. The employee does have the right to apply to the Director of Workers Compensation for a change of doctor. An injured worker is generally entitled to mileage reimbursement for trips to see a physician for distances in excess of five miles for the round trip. The injured worker generally also can obtain reimbursement if transportation must be hired. Weekly compensation is payable at the above applicable rate for the duration of the disability. In no case can such payments exceed a total of \$125,000 for permanent total or \$100,000 for permanent partial or temporary disability.

BENEFITS INFORMATION

CATEGORIES OF DISABILITY COMPENSATION BENEFITS

Temporary Total Disability is paid when the employee, due to an injury, is unable to engage in any type of substantial and gainful employment. Benefits are paid for the duration of the disability.

Permanent Total Disability is paid when the employee, due to an injury, has been rendered completely and permanently incapable of engaging in any type of substantial and gainful employment. The loss of both eyes, both hands, both arms, both feet or both legs, and any combination thereof, in the absence of proof to the contrary, shall also constitute a permanent total disability. Substantially total paralysis, or incurable imbecility or insanity, resulting from injury independent of all other causes, shall also constitute permanent total disability.

Permanent Partial Scheduled Disability is paid when the employee sustains complete or partial loss of use of a body part, such as an arm, due to a job-related injury. Compensation is limited to a percentage of the scheduled number of weeks.

Permanent Partial General Disability is paid when the employee sustains permanent partial disability not specifically covered by the schedule. Compensation is based on the percentage of disability remaining after recovery and is limited to 415 weeks.

Survivors' Benefits of \$250,000 are paid to an employee's surviving spouse and dependent children if death occurs as a result of injury. If there is no surviving spouse or dependents, the legal heirs are entitled to \$25,000. Burial expenses up to \$5,000 also are covered.

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This 31st Annual Statistical Report would not have been possible without the dedication and resourcefulness of the following people and organizations:

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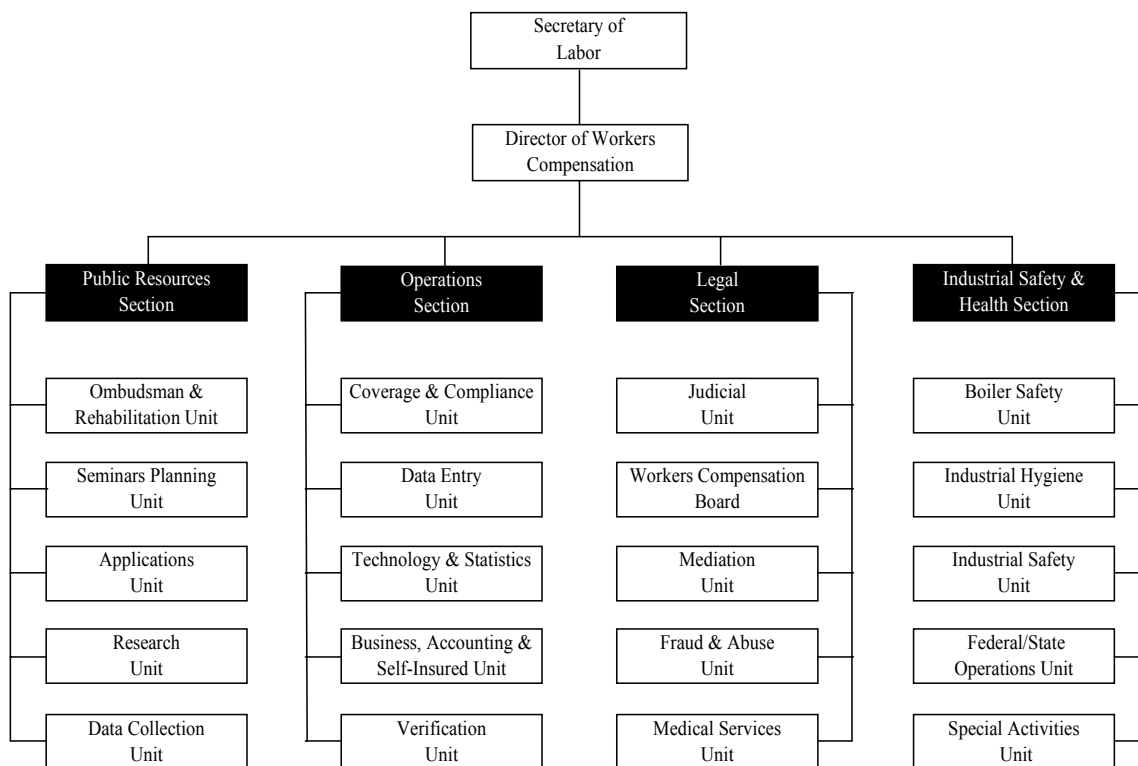
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Section 1

Administrative Profile of the Kansas Division of Workers Compensation

Figure 1-1
Organizational Chart
Kansas Department of Labor
Division of Workers Compensation
FY 2005*



Note: Industrial Safety and Health became a stand-alone division within the Department of Labor after July 1, 2005.

OPERATIONS SECTION

Business, Accounting and Self-Insured

The Workers Compensation Business and Accounting/Self-Insured unit is responsible for administering the State Self-Insurance program and for granting the privilege to insure to employers that meet the standard under an extensive company and financial review. Self-insurance is one of the three methods that an employer may use to insure his or her workers' compensation liability. Only those companies that demonstrate adequate financial stability are approved to independently assume the responsibilities of workers compensation law. The staffing in the Self-Insured unit has been increased in order to provide a more extensive review of each self-insured employer, and will include on-site units in the future. There are currently 234 employers in Kansas that are approved for self-insurance, pursuant to K.S.A. 44-532 and K.A.R. 51-14-4.

The unit's responsibility also entails the assessment of fees to pay for the expenses necessary to administer the workers compensation law by the Division of Workers Compensation. The Business and Accounting/Self-Insured unit also manages all assessment accounting, mathematical calculations, data accumulation and storage, voucher preparation, fee fund deposits and registration for the Division's Workers Compensation Seminar.

Other important unit functions include ordering and accounting for equipment and supplies for the Division of Workers Compensation. The unit also sells the Workers Compensation Law Book and the Medical Fee Schedule. In addition, the unit prepares the annual Division Fiscal Year Budget.

Table 1-1
Assessments Collected

Description	Amount Collected
Reported losses paid in calendar year 2003	\$403,235,262
Current assessment factor	0.0268
Assessments collected during calendar year 2004	\$10,806,703
Number of carriers and self-insurers reporting	937

Source: Kansas Division of Workers Compensation

Table 1-2
Self-Insurance Summary

Activity	FY 05	FY04	FY 03	FY 02	FY 01	FY 00	FY 99
Employers' New Applications Approved	8	37	17	31	27	21	13
Canceled Permits	8	47	30	24	17	14	18
Qualified Employers	234	234	244	257	250	240	243
Group-Funded Pools in Force	15	15	15	15	15	15	15

Source: Kansas Division of Workers Compensation

OPERATIONS SECTION

Coverage and Compliance

The Coverage and Compliance unit includes several different departments: Verification, Elections, Carrier/Employer Research, Data Entry and Accident Reporting.

Currently the Coverage and Compliance unit has a staff of 12. Three individuals work in the Compliance unit. Two individuals are working in Verification and Carrier/Employer Research. One employee is working in each of the following units: Elections, Data Entry, and Accident Reporting. The unit also has a floater who is well-versed in all aspects of the Coverage and Compliance unit and is assigned to various units as needed.

The Compliance unit ensures that all businesses in Kansas are in compliance with and are aware of their responsibilities regarding the Workers Compensation Act. The unit administers and enforces mandated proof of coverage and compliance. The other units ensure that all of the accident reports are received and accurate, with regard to the reporting requirements of the first report of injury. Each unit has specific duties designed to ensure the accuracy of the first report of injury. The units work closely with each other to achieve these objectives.

In FY2005, the Compliance unit made 5,968 contacts to businesses. Of those businesses, 2,660 might have been noncompliant. Approximately 200 of those businesses were referred to the Fraud unit for further investigation and possible prosecution. Three hundred thirty-one businesses had to obtain coverage and 1,335 businesses had to provide a certificate of insurance.

This year the Compliance unit has started working with the data transfer of policy data from NCCI to the division in the International Association of Industrial Accident Boards and Commissions (IAIABC) format (AIPOC). Even though AIPOC has been used for only a short amount of time, it has increased production in obtaining businesses not in compliance and finding noncompliant business owners.

In addition to AIPOC, the Compliance unit has two other programs that have aided in the increased production. The Unemployment Insurance (UI) data program has made it easier and quicker to locate the proper business information when researching those employers who might be noncompliant. The other program is the combination of UI & AIPOC data that runs a cross match of all employers with or without Federal ID number or by name and address. This report has made it easier to sort through those employers who may not have coverage.

Data Entry and Verification

The Data Entry unit ensures that all accident reports received are accurately coded and keyed into the Web-based database system in a timely fashion. Specifically, it codes and manually enters paper first report of occupational injury reports submitted to the division. The codes provide information such as body part, cause, nature and source of the injury. Carrier and employer information also is gathered from accident reports filed. The reports entered generate labels for letters to the injured workers, answering questions about benefits and procedures. Statistics for the annual statistical report are made available from the information on the accident reports.

The Verification unit verifies reported Social Security Numbers with the Social Security Administration, as submitted on first reports of occupational new and existing claimants. In addition it updates names and addresses for existing claimants in the database.

OPERATIONS SECTION

Technology and Statistics Unit

The Technology and Statistics unit is responsible for delivering workers compensation information to the Kansas Department of Labor, the legislature and the general public through the following: an annual statistical report, a web site and reports from research studies and evaluations. As a result, this unit is intimately involved with the division's information systems. The Information Services division of the Kansas Department of Labor still maintains and manages the Workers Compensation's information technology artifacts. Specifically, this unit is responsible for research studies mandated by statute, including studies of closed claims and the effectiveness of the Workers Compensation Act. The staff collects data as needed or requested, as well as conducts survey instrument research design, data collection, statistical analysis and reporting. The staff responds to individual research requests from both internal and external customers.

The Technology and Statistics unit also maintains several data marts of workers compensation claims information on work-related accidents in the state of Kansas. Unit staff work extensively with the Information Services division of the Kansas Department of Labor to resolve the division's operational database implementation issues, and continue to maintain and enhance the database to insure data integrity and accuracy for both the division's administrative and statistical needs. In addition, the Technology and Statistics unit manages all content for the division's Web pages located on the Labor Department web site.

The Technology and Statistics unit also administers the division's statutory Electronic Data Interchange (EDI) program, an electronic method for insurance carriers and self-insured employers to report occupational injury and workers compensation claims costs data by utilizing the International Association of Industrial Accident Boards and Commissions' (IAIABC) national data standard. The program went into production in November, 2003. By the close of fiscal year 2005 over 40 trading partners, sending on behalf of over 200 insurance carriers and self-insured employers, were sending EDI first and second reports of injury reports to the Division. Perhaps more importantly, the average weekly volume of EDI first reports of injury constituted 36 percent of the total number of accident reports filed with the division (total includes paper and EDI reports). In addition, a new Release 1 implementation guide (version 2) was completed and went into effect on July 1, 2005.

Finally, the unit worked with insurance carriers, the division's Coverage and Compliance unit, the Information Services division, and the National Council on Compensation Insurance (NCCI) to implement three innovations in proof of coverage reporting and information access. First, at the end of FY2005 the division launched a new web-based coverage verification service which allows external users access to coverage information over the Department of Labor Web site. Second, in April of 2005, the unit led the launching of a new digital data exchange between the division and insurers. The unit worked with all internal stakeholders to create a proof of coverage data warehouse that makes digitally submitted reports available to other units.

LEGAL SECTION

Workers Compensation Appeals Board

The Workers Compensation Appeals Board was established in 1993 to provide de novo review of administrative law judges' decisions from final orders or awards and certain issues in preliminary hearing orders. Hoping to obtain more uniform decisions for injured workers throughout the State, the legislature created the Appeals Board to replace the role of the State's district court judges in the appeals process.

During fiscal year 2005, the Appeals Board issued 498 decisions. The board received 611 applications for review during that period and had a total of 588 dispositions (which include dismissals and settlements).

The board's new Web site address is: http://www.dol.ks.gov/wcboard/wcappeal_RES.html.

The database is continually refined to meet the needs of the Appeals Board, the support staff and the Workers Compensation division. It also is being refined for public dissemination of information regarding the status of appeals cases.

The objective of the Appeals Board is to provide a fair and efficient appeals process within the framework of the Kansas Workers Compensation Act, applicable case law and administrative regulations.

LEGAL SECTION

Judicial

The Judicial unit's primary functions are to hold hearings and issue decisions and awards in contested workers compensation claims. Administrative Law Judges must meet the timelines for prehearing settlement conferences, preliminary hearings and regular hearings set by statute as well as the timelines for awards and written decisions.

The Judicial unit's accomplishments for the previous year include effectively managing significant caseloads with a large number of preliminary, regular and post-award hearings; monthly phone conferences to provide peer support and manage issues effectively to accomplish the primary functions of the section in a uniform fashion; and continued technical and management training for the administrative law judges.

Objectives for the Judicial unit include continuing to provide additional training for the administrative law judges and their staff in technical, managerial and professional skills and increasing educational opportunities for the public as well as the administrative law judges.

Table 1-3
FY 2005 Administrative Law Judges' Case Report

MONTH	Cases Assigned	Reassigned	Submitted	Preliminary Hearing Held	Regular Hearing Held	Settlement Hearing Held
JULY	556	78	46	154	67	18
AUGUST	521	78	57	143	56	11
SEPTEMBER	459	77	34	150	69	12
OCTOBER	458	59	51	148	59	13
NOVEMBER	443	61	42	140	65	14
DECEMBER	513	65	51	149	81	6
JANUARY	487	53	47	158	66	13
FEBRUARY	418	71	63	154	78	16
MARCH	439	55	44	179	75	20
APRIL	796	78	58	221	78	13
MAY	505	71	37	181	59	17
JUNE	537	98	49	164	58	26
TOTALS	6,132	844	579	1,941	811	179

Source: Kansas Division of Workers Compensation

LEGAL SECTION

Judicial

Table 1-3 Continued
FY 2005 Administrative Law Judges' Case
Report

MONTH	Motion Hearing	Awards	Agreed Awards	Post-Stlmt Conf.Held	Inactive
JULY	14	43	28	8	272
AUGUST	12	35	27	11	339
SEPTEMBER	18	42	36	8	362
OCTOBER	24	40	26	4	309
NOVEMBER	16	32	33	10	327
DECEMBER	20	38	33	11	329
JANUARY	18	47	25	4	318
FEBRUARY	19	41	25	9	329
MARCH	17	43	40	3	342
APRIL	16	35	40	12	343
MAY	20	35	49	10	282
JUNE	21	26	44	8	361
TOTALS	215	457	406	98	3,913

Source: Kansas Division of Workers Compensation

Mediation

The Mediation unit provides parties a means of resolving disputes in an informal and non-adversarial atmosphere. The objectives of the unit are threefold: educate the public on the benefits of using mediation as a means of resolving disputes, increase utilization of the mediation process and provide cost savings to the workers compensation system by reducing the number of issues being litigated. It assists, through a variety of mechanisms such as a mediation conference, both claimants and respondents in a timely manner – within seven days or as requested by the parties. In addition, the Mediation unit provides educational training to insurance carriers on the benefits of utilizing the mediation process as a means of resolving disputes associated with workers compensation claims.

LEGAL SECTION

Medical Services

The Medical Services unit has the responsibility of providing both administrative and developmental services for the medical fee schedule. Additionally, Medical Services administers utilization and peer review programs, acting as a liaison for all parties involved in health care-related workers compensation issues. The Medical Services unit works closely with the Kansas Department of Health and Environment to assure that payments to health care providers remain current, reasonable and fair.

The current version of the *Kansas Workers Compensation Schedule of Medical Fees* was implemented December 1, 2005. The current revision has been refined to incorporate modifications of a Resource Based Relative Value System (RBRVS) in order to enhance reimbursement validity. Initial research is in progress to determine if both improved patient care and cost containment would result from implementation of Medical Treatment Guidelines (MTGs) in addition to the medical fee schedule.

Fraud and Abuse

The Worker Compensation Fraud and Abuse Investigation unit was established in 1993. The unit is staffed with three investigators, an administrative specialist and an Assistant Attorney General, who supervises the unit. The unit's responsibilities include identifying potential fraud and abuse in the workers compensation arena by investigating allegations of violations of the workers compensation regulations and laws that are referred to or developed by the unit, as stated in K.S.A. 44-5, 120 and K.S.A. 4-5, 125. Provable violations may be taken before a hearing officer in a civil action, or may be presented to local county or district attorneys for criminal prosecution.

In the fiscal year 2005, 317 cases were initiated. Eighty-five cases were referred for administrative charges. Collection for fines and assessments totaled \$139,750.44 for the 2005 fiscal year.

The objectives of the unit are to assure that the injured worker receives required medical treatment and benefits in a timely manner; protect the employer, carrier and medical provider from fraudulent acts; assure that businesses within the state are compliant by maintaining worker compensation insurance coverage; and assure that the Workers Compensation division receives the required documents in a timely manner.

PUBLIC RESOURCES SECTION

Ombudsman

The primary function of the Ombudsman unit is to assist injured workers, employers and other parties to protect their rights under the Workers Compensation Act. The Unit provides technical assistance to all parties on workers compensation issues. The unit also assists unrepresented claimants in obtaining a hearing, mediation, or appeal. The Ombudsman unit also provides presentations and training opportunities to interested parties.

Specifically during fiscal year 2005, the Ombudsman unit provided a point of contact for all parties to clarify issues and obtain information. The unit received and/or initiated 29,258 contacts, which included general information, specific issues regarding reported and unreported accidents and on-site visits to employers. The Ombudsman unit also provided educational presentations to 1,198 individuals during fiscal year 2005, as well as increasing public awareness of resources for parties needing presentations of workers compensation issues. Additionally, it provided technical assistance to employers through on-site visits and training during fiscal year 2005.

The objectives of the Ombudsman unit involve increasing employer contacts by providing more training to employer groups and making more on-site visits to employers who need assistance. It also intends to increase the unit's ability to initiate contact with injured workers to see if appropriate information is being received as required by statute, as well as to increase public awareness of the availability of Ombudsman assistance in alternative dispute resolution. The unit also seeks to increase public awareness and use of the unit's website for information and downloadable forms. The public also can take advantage of the new on line insurance coverage verification and calculator to assist in gathering the information that it needs.

Table 1-4
FY 2002 - FY 2005 Ombudsman Contacts

Category	FY 02	FY 03	FY 04	FY 05	Total
Employees	14,012	13,444	12,723	13,072	53,251
Employers	4,313	4,501	4,232	4,493	17,539
Insurance Carriers	1,933	1,703	1,807	1,955	7,398
Insurance Agents	1,185	1,127	1,131	1,586	5,029
Attorneys	1,392	1,245	1,647	1,904	6,188
Health Care	1,107	1,249	1,471	1,613	5,440
Miscellaneous	4,160	3,930	4,491	4,635	1,7216
Total Contacts	28,102	27,199	27,502	29,258	112,061

PUBLIC RESOURCE SECTION

Seminars Planning

The Seminars Planning unit's primary functions include the organization, development and delivery of the two Workers Compensation seminars and the Kansas Safety and Health Conference; however, the 2006 Kansas Safety and Health Conference will not be planned by this unit. As Industrial Safety and Health is now a separate division of the Kansas Department of Labor. These events provide an open forum where related topics, information and services can be viewed and discussed among professional groups. The unit strives to produce superior programs by working with internal and external members of the planning committees to determine timely topics and secure the most notable speakers. In addition, staff will continue to obtain and deliver maximum continuing educational credits in a variety of occupations for each event.

There were 271 attendees at the 2005 Wichita Workers Compensation Seminar, which is a two-day event. Attendees securing continuing education credit consisted of 93 attorneys, 60 nurses, 15 case managers and 11 Emergency Medical Services professionals. An additional 15 attendees asked for proof of attendance in order to self-submit continuing education credits in occupations KDOL did not pre-authorize. There were 30 exhibitors. There were 389 attendees at the two-day 2005 Overland Park Workers Compensation Seminar. Attendees securing continuing education credits consisted of 125 attorneys, 89 nurses and 46 case managers. An additional 23 attendees asked for proof of attendance in order to self-submit continuing education credits in occupations KDOL did not pre-authorize. There were 49 exhibitors.

The 2005 Kansas Safety and Health Conference hosted approximately 230 attendees for four days. Along with a variety of continuing education credits offered during the a two-day conference, this event offered six professional development classes. There were 26 exhibitors.

The objectives for the unit for the upcoming fiscal year will be to engage in an active outreach program and continue to offer the opportunity to speak "first-hand" with staff members and other professionals in their fields. Staff will continue to provide quality events at affordable prices and produce events which offer topics of importance to those who work in the field of workers compensation. Finally, the unit will provide the opportunity to view the latest products and services, deliver the maximum possible continuing education credits and maintain and/or increase current attendance.

PUBLIC RESOURCE SECTION

Applications

The Applications unit processes all applications and motions for hearings to assure the proper filing of necessary and required documentation in each case and to assure that appropriate counsel, insurance carrier, employer and claimant are reflected on the notices of hearing. Claims are assigned to an administrative law judge based on the county of venue and other established criteria. The Applications unit creates a physical docket file that reflects required documentation pertaining to the claim for workers compensation. This file becomes the official division documentation upon which present and future proceedings will rely for information. The Applications unit records and enters information into the division's Web-based database and appropriate notices of hearing are sent to all parties involved in each case. The Applications unit strives to research and process all preliminary hearing applications within three days of receipt.

For fiscal year 2005, the unit researched and processed a total of 17,480 applications and motions. Of that total, 8,273 were preliminary hearing applications; 5,717 were regular hearing applications; 57 were applications for surviving spouse or dependent hearings; 731 post award medical applications; and 2,702 "miscellaneous" applications which included amended applications, review and modifications, motions for penalties, impleadings of the Workers Compensation Fund, corrections and returned notices. A total of 1,914 more applications were filed in fiscal year 2005 as compared to fiscal year 2004.

It is the intention of the Applications unit to continue to provide outstanding service to customers, both internal and external. Future plans include the possibility of implementing an imaging system for processing and storing documents received by the division.

Table 1-5

Application Unit Activity FY 2004 – FY 2005

TYPE OF APPLICATION	FY 05	FY 04
NEW PRELIMINARY	1,937	1,170
DOCKETED PRELIMINARY	6,336	6,063
REGULAR	5,717	5,403
FATAL	57	47
PA MEDICAL	731	601
REVIEW & MODIFICATION*	235	DID NOT COUNT SEPARATELY
PENALTIES*	621	DID NOT COUNT SEPARATELY
MISCELLANEOUS**	1,846	2,282
TOTAL APPLICATIONS	17,480	15,566

*For FY 2004 the review and modification and penalties applications were included in the count for miscellaneous applications.

**For FY 2005 - the miscellaneous applications include amendments, insolvent impleadings, corrections and returned notices.

PUBLIC RESOURCE SECTION

Research

The Data Collection unit was merged with the Research unit this fiscal year. The Research unit researches requests for prior claim information from customers including attorneys, judges, claimants, insurance companies and the general public. Each request must be verified to assure that legal requirements concerning the confidentiality of workers compensation records are met. The research is conducted through computerized and hard copy files containing the histories of injured workers. Responses are provided as appropriate and according to legal requirements.

The Research unit responded to more than 39,800 research requests from attorneys, insurance carriers and employers during fiscal year 2005. Turnaround time for research requests is generally kept to within four days. The Research unit also reviews, researches and computes awards, settlements and final receipt and releases of liability. Information researched and computed by the unit is entered into the division's database to produce annual statistical reports mandated by Kansas law. The information collected includes dollar amounts paid, the types of payments, the body parts being compensated, percentages of disability rating, attorneys fees and court reporter fees. This unit also is responsible for preparing and certifying all documentation for litigated cases appealed to the Court of Appeals.

Table 1-6
FY 2005 Requests for Information from the Research Unit

Month	Attorneys	Insurance Company	Telephone	Social Security	Employers	Kansas Insurance Dept	Misc	Total
2004								
July	717	416	67	5	2,084	0	4	3,293
August	848	374	71	4	2,139	0	27	3,463
September	816	392	74	2	2,104	0	1	3,389
October	804	399	67	4	2,074	0	47	3,395
November	671	353	75	3	2,057	0	3	3,162
December	640	277	70	7	1,597	0	14	2,605
2005								
January	667	317	56	1	1,716	0	36	2,793
February	678	331	70	4	1,809	0	3	2,895
March	756	344	55	3	2,293	0	4	3,455
April	729	348	57	3	2,330	0	23	3,490
May	700	383	46	1	2,584	0	11	3,725
June	698	359	64	3	3,048	0	6	4,178
Total Requests For Year	10,729	4,293	772	40	25,835	0	179	39,843
Average Requests Per Day	42.58	17.04	3.06	0.16	102.52	0	0.71	158.11
Total Working Days in the year: 252								

Source: Kansas Division of Workers Compensation

PUBLIC RESOURCE SECTION

Rehabilitation

The Rehabilitation unit has the responsibility of coordinating the vocational rehabilitation services for injured workers when the insurance company/employer elects to provide services. This unit also reviews medical management closures to determine the need for referral to other vocational programs and services when the insurance company/employer elects not to provide services. Monitoring and providing technical assistance for both public and private vocational rehabilitation providers is also part of the responsibilities of this unit.

In FY2005, the Rehabilitation unit provided oversight for 47 referrals to qualified private sector vocational rehabilitation vendors. Rehabilitation plans were developed for thirty-seven individuals with thirty-one receiving job placement services and four in training programs. Thirteen injured workers were employed at time of closure or service completion. The unit received 638 medical management referrals. Qualified rehabilitation vendors returned 273 injured workers to their employer (at time of injury) through individualized services. The unit reviewed 954 medical management closure reports to determine those in need of vocational rehabilitation or community services. In addition, 206 injured workers were notified of vocational options available through the private and/or public sector vocational services. At the end of FY2005, fifteen referred workers were involved with Kansas Rehabilitation Services and out-of-state vocational rehabilitation agencies with six currently in a vocational rehabilitation plan.